

STATE RISK MANAGEMENT FUND
INVESTMENT PERFORMANCE REPORT AS OF DECEMBER 31, 2003

	December-03					September-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Quarter	Month	Market Value	Allocation	Policy	Quarter	FYTD	FY03	Ended	Ended
		Actual		Net ROR	Net ROR				Net ROR	Net	Net	6/30/2003	6/30/2003
												Net	Net
LARGE CAP DOMESTIC EQUITY													
<i>Structured Growth</i>													
Los Angeles Capital	55,708	2.9%	2.7%	9.12%	2.14%	51,035	2.8%	2.7%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	55,708	2.9%	2.7%	9.12%	2.14%	51,035	2.8%	2.7%	4.99%	14.56%	-1.88%	-21.24%	-6.07%
<i>Russell 1000 Growth</i>				10.41%	3.46%				3.92%	14.74%	2.94%	-21.54%	-5.03%
<i>Structured Value</i>													
LSV	56,270	2.9%	2.7%	15.66%	5.32%	48,714	2.6%	2.7%	3.75%	19.99%	-2.25%	8.84%	3.73%
<i>Russell 1000 Value</i>				14.19%	6.16%				2.06%	16.55%	-1.02%	-0.19%	1.05%
<i>S&P 500 Index</i>													
State Street	252,139	13.0%	12.6%	12.16%	5.24%	224,779	12.2%	12.6%	2.64%	15.11%	0.23%	-11.28%	-1.69%
<i>S&P 500</i>				12.18%	5.24%				2.64%	15.15%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	364,117	18.8%	18.0%	12.20%	4.77%	324,528	17.6%	18.0%	3.15%	15.74%	-0.48%	-9.33%	-1.90%
<i>S&P 500</i>				12.18%	5.24%				2.64%	15.15%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY													
<i>Manager-of-Managers</i>													
SEI	123,723	6.4%	6.0%	14.82%	2.30%	107,733	5.8%	6.0%	9.48%	25.71%	0.09%	N/A	N/A
<i>Russell 2000 + 200bp</i>				15.07%	2.20%				9.60%	26.12%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	123,723	6.4%	6.0%	14.82%	2.30%	107,733	5.8%	6.0%	9.48%	25.71%	0.09%	-3.49%	1.64%
<i>Russell 2000</i>				14.52%	2.03%				9.07%	24.91%	-1.63%	-3.30%	0.97%
CONVERTIBLES													
TCW	220,946	11.4%	11.0%	9.98%	3.77%	200,880	10.9%	11.0%	1.85%	12.02%	10.23%	-9.51%	3.90%
<i>First Boston Convertible Index</i>				8.54%	2.79%				2.67%	11.44%	15.46%	-3.77%	5.29%
DOMESTIC FIXED INCOME													
<i>Core Bond</i>													
Western Asset	582,810	30.1%	30.0%	1.62%	1.41%	571,276	30.9%	30.0%	-0.16%	1.45%	12.77%	11.23%	8.12%
<i>Lehman Aggregate</i>				0.32%	1.02%				-0.14%	0.17%	10.39%	10.07%	7.54%
<i>Index</i>													
Bank of ND	312,310	16.1%	18.0%	0.07%	1.04%	312,510	16.9%	18.0%	-0.46%	-0.40%	13.26%	10.87%	7.78%
<i>Lehman Gov/Credit</i>				-0.03%	0.99%				-0.50%	-0.53%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>													
Strong	241,245	12.5%	12.0%	1.46%	1.64%	239,482	13.0%	12.0%	0.02%	1.48%	17.91%	N/A	N/A
<i>Lehman US Credit BAA</i>				1.22%	1.41%				0.27%	1.50%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	1,136,364	58.7%	60.0%	1.15%	1.36%	1,123,268	60.8%	60.0%	-0.21%	0.96%	13.18%	10.80%	7.81%
<i>Lehman Gov/Credit</i>				-0.03%	0.99%				-0.50%	-0.53%	13.14%	10.82%	7.83%
CASH EQUIVALENTS													
Bank of ND	91,198	4.7%	5.0%	0.29%	0.10%	92,010	5.0%	5.0%	0.30%	0.59%	1.57%	3.26%	4.15%
<i>90 Day T-Bill</i>				0.26%	0.10%				0.25%	0.50%	1.52%	3.33%	4.08%
TOTAL RISK MANAGEMENT FUND	1,936,348	100.0%	100.0%	4.81%	2.25%	1,848,420	100.0%	100.0%	1.12%	5.98%	8.86%	2.05%	2.58%
<i>POLICY TARGET BENCHMARK</i>				3.92%	1.97%				1.22%	5.19%	8.72%	3.08%	3.77%

NOTE: Monthly returns and market values are preliminary and subject to change.